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PUBLIC EMPLOYEES RETIREMENT BOARD MEETING

August 21, 2023

8:30 A.M.

A regular meeting of the Public Employees Retirement Board (PERB) convened at 8:32 a.m., Monday, August 21, 2023, in the Nebraska State Office Building, Lancaster Hearing Room, 301 Centennial Mall South, Lincoln, Nebraska.

The Board members were notified of this meeting by Agenda posted on the PERB SharePoint website on Friday, August 18, 2023. Public notice of this meeting was published in the Lincoln Journal-Star and Omaha World-Herald on Friday, August 14, 2023. K. Ackerman chaired the meeting and B. Dinges recorded the minutes.

MEMBERS PRESENT:

KELLI ACKERMAN, CHAIR
JANIS ELLIOTT, VICE-CHAIR
GERALD CLAUSEN
MIKE JAHNKE
ALLEN SIMPSON
JIM SCHULZ
JUDGE THOMAS ZIMMERMAN
MICHAEL WALDEN-NEWMAN, EX-OFFICIO

NONMEMBERS PRESENT:

RANDY GERKE
Director
VANESSA HOHLEN
Internal Auditor
TERESA ZULAUF
Controller
MELISSA NUSS
Retirement Plan Manager
BRENDA DINGES
Retirement Plan Manager
JOHNETTA LANG
Data Services Manager
VICKI HUBER
Human Resources Specialist
MARIA DAVIS
Retirement Specialist II
SOPHIA DUNSMORE
Auditor
JERAD ALEXANDER
Retirement Specialist I
JAYDEEP DESHPANDE
OSERS Transfer Project Manager

JOSH RUHNKE
Ameritas
RYAN WALTON
State Budget Office
ZACH WENDLING
Nebraska Examiner
ERIC ASBOE
Supreme Court
NEAL ERICKSON
Retirement Committee Legal Counsel
LUKE SPLATTSTOESSER
PERB Nominee
TYLER CUMMINGS
NPERS Director Finalist
JASON HAYES
NPERS Director Finalist
JOHN MURANTE
NPERS Director Finalist

Agenda Item 1: K. Ackerman stated this meeting will follow the Nebraska Open Meetings Act and a copy of the Act is provided electronically, via a link on the final agenda posted on the Nebraska Public Employees Retirement Systems' (NPERS) website, on the Attorney General's website, and a copy of the Act is located on the table by the door.

Agenda Items 2 and 3 – Meeting Called to Order: K. Ackerman called the August 21, 2023, Board Meeting to order at 8:32 a.m. Present at meeting: K. Ackerman, J. Elliott, G. Clausen, M. Jahnke, J. Schulz, A. Simpson, T. Zimmerman, and M. Walden-Newman.

Agenda Item 4 – Approval of Minutes: J. Schulz moved for approval of the minutes of the July 17, 2023, Board Meeting. Motion was seconded by M. Jahnke. Members voted as follows: For: K. Ackerman, G. Clausen, M. Jahnke, J. Schulz, A. Simpson, and T. Zimmerman. Abstain: J. Elliott. Against: None. Motion carried.

G. Clausen moved for approval of the minutes of the August 2, 2023, Board meeting. Motion was seconded by J. Elliott. Members voted as follows: For K. Ackerman, J. Elliott, G. Clausen, J. Schulz, M. Jahnke, A. Simpson, and T. Zimmerman. Against: None. Motion carried.

Agenda Item 5 – Approval of Budget Status Report & May Retirement Report: T. Zulauf informed the Board that there was a \$7 million carryover from the OSERS project.

J. Elliott moved to approve the Budget Status Report and the July 2023 Retirement Report. Motion was seconded by T. Zimmerman. Members voted as follows: For: K. Ackerman, J. Elliott, G. Clausen, M. Jahnke, A. Simpson, J. Schulz, and T. Zimmerman. Against: None. Motion carried.

Agenda Item 6 – Public Comments or Correspondence from Citizens: There were none.

Agenda Item 7 – NPERS Director Finalist Interviews: K. Ackerman stated the PERB would interview the following finalists for the NPERS Director position: Tyler Cummings, Lincoln, NE, Jason Hayes, Lincoln, NE, and John Murante, Omaha, NE. K. Ackerman described today's interview process and the Director's duties.

The following candidate was interviewed by the Committee: T. Cummings.

The Board took a break at 9:42 a.m. and reconvened at 9:55 a.m.

The following candidate was interviewed by the Committee: J. Hayes

The Board took a break from 10:40 a.m. and reconvened at 10:55 a.m.

The following candidate was interviewed by the Committee: J. Murante

Agenda Item 8 and 9 – Executive Session: At 11:23 a.m. M. Jahnke moved the Board exit Regular Session and convene in Executive Session for the purpose of discussing the following: the Finalists for the NPERS Director position; Protection of the Public Interest, Prevention of Needless Injury to the Reputation of an Individual and finding the finalists have not requested that the discussion be held in open session. Case No. D-23-11; Prevention of Needless Injury of the Reputation of an Individual; Case No. D-23-12; Prevention of Needless Injury of the Reputation of an Individual; Personnel Matters; Protection of Public Interest, Prevention of Needless Injury to the Reputation of an Individual

J. Elliott seconded the motion. K. Ackerman repeated the motion for the record. Members voted as follows: For: K. Ackerman, J. Elliott, J. Schulz, M. Jahnke, A. Simpson, G. Clausen, and T. Zimmerman. Against: None. Motion carried.

At 1:18 p.m. M. Jahnke moved that the Board exit Executive Session and reconvene in Regular Session. A. Simpson seconded the motion. Members voted as follows: K. Ackerman, J. Elliott, G. Clausen, J. Schulz, M. Jahnke, A. Simpson, and T. Zimmerman. Against: None. Motion carried. Both disabilities were approved.

M. Jahnke moved for approval of Case Review No. D-22-11 and Case Review No. D-23-12. Motion was seconded T. Zimmerman. For: K. Ackerman, J. Elliott, J. Schulz, M. Jahnke, G. Clausen, A. Simpson, and T. Zimmerman. Against: None. Motion carried.

A. Simpson motioned to approve extending R. Gerke's retirement date as NPERS Director from August 31, 2023, to no later than September 10, 2023. Seconded by T. Zimmerman. Members voted as follows: For: K. Ackerman, J. Elliott, J. Schulz, M. Jahnke, G. Clausen, A. Simpson, and T. Zimmerman. Against: None. Motion carried.

J. Elliott moved to approve the hiring of J. Murante for the NPERS Director position. The motion was seconded by G. Clausen. Members voted as follows: For: K. Ackerman, J. Elliott, G. Clausen, J. Schulz, M. Jahnke, and T. Zimmerman. Abstain: A. Simpson. Against: None. Motion carried.

J. Elliott moved to appoint Chairperson K. Ackerman to negotiate mutually acceptable employment terms and conditions with J. Murante as directed by the PERB. The employment offer is subject to satisfactory background and reference checks. If K. Ackerman is unable to negotiate an acceptable employment arrangement with J. Murante as prescribed by the PERB, the authority granted herein shall terminate until the PERB delegates further authority. If the PERB reaches an agreement with J. Murante, such employment shall be subject to and conditioned upon the approval of the Governor and a majority of the Legislature, as required by law. Motion was seconded by G. Clausen. Members voted as follows: For: K. Ackerman, J. Elliott, G. Clausen, J. Schulz, A. Simpson, M. Jahnke, and T. Zimmerman. Against: None. Motion carried.

Agenda Item 10 – OSERS Transfer Project: J. Deshpande provided an update on the OSERS Transfer Project.

- Linea began entry into Azure, the Microsoft tracking software to sync with project activities to begin using the Azure dashboard to monitor project status.
- Completed Functional Fit Gap Analysis for Service Credit.
- Continued testing OSERS modifications to NPRIS for processing monthly wage and contribution reports.
- Prepare technical specifications for NPRIS modifications.
- On-boarded additional resources for data conversion team.
- Continued migration of OSERS participants to complete mapping and load demographic data into development.
- Began data mapping and scripting to migrate employment history data into NPRIS.
- The Secretary of State has scanned 22 boxes to date and 8 more are to be picked up.

M. Jahnke moved to approve the OSERS Transfer Report. Motion was seconded by T. Zimmerman. Members voted as follows: For: K. Ackerman, J. Elliott, G. Clausen, M. Jahnke, A. Simpson, J. Schulz, and T. Zimmerman. Against: None. Motion carried.

Agenda Item 11 – Director’s Report: R. Gerke gave the Director’s Report.

- R. Gerke reported that the Secretary of State’s office has scanned 30,000 OSERS documents, which is approximately 25% of the total documents to be scanned.
- Data migration is slightly behind due to needing additional information from Omaha Public Schools. A plan has been set up to get information ahead of time. R. Gerke and T. Cummings met with Shane Rhian, OSERS Administrator, to discuss the OSERS audit findings.
- The Actuary is working on the School, Judges, and State Patrol evaluations. They are also working on a study for LB 196, which changes provisions of the State Patrol Plan.
- Statements for the School, Judges, and State Patrol plans have been mailed.
- Member Services had over 1,000 calls the week of August 14, 2023. There have been over 500 returned mail items.
- State and County seminars start September 6, 2023, and run through November. Registration is down a bit due to a brochure delay at the print shop.
- R. Gerke stated NPERS has entered into an agreement with the Department of Health and Human Service to receive death files for all deaths that occur within Nebraska.
- The State, County, and DCP audits are taking place now. The audit exit meeting will take place in the near future.
- The SECURE 2.0 Act requires retirement plans to offer Roth contributions for high-wage earnings in the DCP plan by January 2024. This may cause catchup contributions for members over age 50 to stop. It was discussed that NPERS may need to hire a project manager to assist in this matter.
- He stated NPERS has Retirement Specialist I positions to be filled in Member Services, Benefits, and OSERS departments. One OCIO Developer position has been posted. He mentioned a position description questionnaire (PDQ) has been submitted for the Auditor positions to reclassify them to Internal Auditors. He stated NPERS will need to work on adjusting V. Hohlen’s position. NPERS filled the Trainer Specialist position as well as the Graphic Artist position in Education Services.
- R. Gerke thanked the Board for their support.

A. Simpson moved to approve the Director’s Report. Motion was seconded by M. Jahnke. Members voted as follows: For: K. Ackerman, J. Elliott, G. Clausen, M. Jahnke, A. Simpson, J. Schulz, and T. Zimmerman. Against: None. Motion carried.

Agenda Item 12 – Board Committee Reports: A. Simpson moved to approve the hiring of T. Herbek as the Legal Counsel for NPERS and the PERB with a start date of August 31, 2023. Motion was seconded by J. Elliott. Members voted as follows: For: K. Ackerman, J. Elliott, J. Schulz, M. Jahnke, G. Clausen, T. Zimmerman, and A, Simpson. Against: None. Motion carried.

Agenda Item 13 – Board Education/Travel Requests: J. Elliott gave brief highlights from her National Council on Teacher Retirement Trustee workshop.

Agenda Item 14 – Future Meetings/Agendas: The next PERB meeting is September 18, 2023.

Adjournment: M. Jahnke moved that the meeting adjourn. Motion was seconded by A. Simpson. Members voted as follows: For: K. Ackerman, J. Elliott, G. Clausen, M. Jahnke, A. Simpson, J. Schulz, and T. Zimmerman. Against: None. Motion carried. The meeting was adjourned at 2:08 p.m.